

Council Chambers
City Hall, Saskatoon, Sask.
Monday, September 26, 2011
at 6:00 p.m.

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

PRESENT: His Worship the Mayor, in the Chair;
Councillors Clark, Donauer, Heidt, Hill, Loewen, Lorje,
Paulsen, and Penner;
City Manager Totland;
City Solicitor Dust;
General Manager, Corporate Services Bilanski;
General Manager, Community Services Gauthier;
A/General Manager, Fire and Protective Services Kobussen;
General Manager, Infrastructure Services Gutek;
General Manager, Utility Services Jorgenson;
City Clerk Mann; and
Council Assistant Mitchener

Councillor Hill entered the meeting at 6:20 p.m. during consideration of Clause A4, Administrative Report No. 17-2011.

Moved by Councillor Penner, Seconded by Councillor Heidt,

THAT the minutes of meeting of City Council held on September 12, 2011, be approved.

CARRIED.

PUBLIC ACKNOWLEDGEMENT

Ms. Paula Kotasek, representing the Canadian Institute of Planners, and representatives from the Broadway Business Improvement District announced Broadway Avenue was selected as one of three of Canada's Great Streets in the Canadian Institute of Planners Great Places in Canada Contest and presented His Worship the Mayor with a plaque signifying this accomplishment.

MATTERS REQUIRING PUBLIC NOTICE

**3a) Evergreen Neighbourhood Development
Proposed Closure of Range Road 3045 Between Keedwell Street and Agra Road
(File No. CK. 6295-011-6)**

REPORT OF THE CITY CLERK:

“Attached is a copy of an excerpt and attachments referred to therein from the minutes of meeting of City Council held on August 17, 2011 regarding the above matter. City Council resolved that consideration of the matter be deferred until such time as the Administration reports on the timing of the completion of the temporary extension of McOrmond Road.

The following is a report of the General Manager, Infrastructure Services Department dated September 20, 2011:

- RECOMMENDATION:**
- 1) that Option 1, the accelerated construction of McOrmond Drive between Evergreen Boulevard and Agra Road be approved, to facilitate the closure of Range Road 3045 between Keedwell Street and Agra Road;
 - 2) that a post budget increase in the amount of \$3,750,000 to 2011 Capital Project 655 - Arterial Road – McOrmond be approved;
 - 3) that the \$3,750,000 post budget approval be funded from the Arterial Road Reserve; and
 - 4) that Range Road 3045 remain open and maintained by the City using dust palliation until construction of Option 1 is completed, in October 2012.

BACKGROUND

City Council, at its meeting held on August 17, 2011, during Matters Requiring Public Notice, considered a report of the General Manager, Infrastructure Services Department, dated August 5, 2011, advising that a request had been made by the Community Services Department, Land Branch, as the developer of the Evergreen Neighbourhood, to close Range Road 3045, between Keedwell Street and Agra Road to relocate a 138 kV SaskPower line which is currently located west of Range Road 3045, to allow for further development of the Evergreen Neighbourhood.

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

MONDAY, SEPTEMBER 26, 2011

PAGE 3

Council resolved that consideration of the matter be deferred until such time as the Administration reports on the timing of the completion of the temporary extension of McOrmond Drive.

REPORT

To facilitate the closure of Range Road 3045 and provide users of this road with a safe and convenient alternative, the Infrastructure Services Department considered two options for the construction of McOrmond Drive between Evergreen Boulevard and Agra Road.

Option 1 – Accelerate the construction of the two-lane paved extension of McOrmond Drive from 2015 to 2012

Construction of the two-lane paved extension of McOrmond Drive, from Evergreen Boulevard to Agra Road, is currently in the 2015 Capital Plan. Option 1 proposes that construction be accelerated to 2012, in order to provide an alternate access route for those who currently use Range Road 3045. If approved, the extension would be completed in October 2012, at an estimated cost of \$3,750,000, including street lighting. Range Road 3045 would remain open until construction is completed and the extension is opened to traffic. As a result, the 138 kV SaskPower line would not be relocated to the Range Road 3045 right-of-way until October 2012.

Option 2 – Construct a temporary two-lane gravel extension of McOrmond Drive

Constructing a temporary two-lane gravel extension of McOrmond Drive would be a more expensive alternative, as the permanent paved roadway would still be required at a later date. In order to minimize the additional costs, it would be built to the final design alignments and elevations as the paved extension. If approved, completion of this option would be scheduled for July 2012, at an estimated cost of \$1,750,000, including street lighting. Approximately \$150,000 of the \$1,750,000 would be “throw away” costs. To facilitate traffic while construction is in progress, Range Road 3045 would remain open until construction of the temporary gravel road is complete and opened to traffic. As a result, the 138 kV SaskPower line would not be relocated to the Range Road 3045 right-of-way until July 2012.

In both Options, the existing 138kV SaskPower line scheduled for relocation runs through the Evergreen Neighbourhood and, due to its location, would prevent the Land Branch from selling approximately 50 lots that will be ready for sale in 2011. This would result in an approximate \$5,700,000 delay in revenue received through the sale of these lots. There are no schedule impacts with SaskPower to delay the relocation of the 138kV line to October or July 2012.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 4**

Summary

Option 1

Estimated Completion Date – October 2012
Estimated Cost - \$3,750,000
Estimated “Throw Away” Cost - \$0

Option 2

Estimated Completion Date – July 2012
Estimated Cost - \$1,750,000
Estimated “Throw Away” Cost - \$150,000
The Administration is recommending Option 1, and that a post budget increase in the amount of \$3,750,000 to 2011 Capital Project 655 - Arterial Road – McOrmond, to be funded from the Arterial Road Reserve, be approved;

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPACT

There is sufficient funding within the Arterial Road Reserve for a post budget increase of \$3,750,000 to Capital Project 655 - Arterial Road – McOrmond.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.”

The City Clerk distributed copies of the following letters:

- *Dwayne and Lorraine Sturgeon, dated September 26, 2011, submitting comments; and*
- *Janet Crouch, dated September 26, 2011, requesting to speak to Council.*

General Manager, Infrastructure Services Gutek presented his report dated September 20, 2011 and added the following recommendation:

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 5**

- “5) *that consideration of Bylaw 8955 be deferred until such time as the Administration reports on the successful completion of the paved extension of McOrmond Drive.*”

Mr. Dwayne Sturgeon spoke in support of Option 1 of the report of the General Manager, Infrastructure Services dated September 20, 2011 and thanked the City for its cooperation in this matter.

Moved by Councillor Penner, Seconded by Councillor Heidt,

- 1) that Option 1, the accelerated construction of McOrmond Drive between Evergreen Boulevard and Agra Road be approved, to facilitate the closure of Range Road 3045 between Keedwell Street and Agra Road;*
- 2) that a post budget increase in the amount of \$3,750,000 to 2011 Capital Project 655 - Arterial Road – McOrmond be approved;*
- 3) that the \$3,750,000 post budget approval be funded from the Arterial Road Reserve;*
- 4) that Range Road 3045 remain open and maintained by the City using dust palliation until construction of Option 1 is completed, in October 2012; and*
- 5) that consideration of Bylaw 8955 be deferred until such time as the Administration reports on the successful completion of the paved extension of McOrmond Drive.*

CARRIED.

**3b) Proposed Closure of Portion of Public Right-of-Way
Avenue K South, North of 20th Street West and the CPR Railway
(File No. CK. 6295-011-2)**

REPORT OF THE CITY CLERK:

“Attached is an excerpt from the minutes of meeting of City Council held on August 17, 2011, and attachments referred to therein, regarding the above matter. City Council resolved that consideration of the matter be deferred and that the Administration report at that time on the effect, if any, the proposed closure will have on the neighbouring property.

The General Manager Infrastructure Services will provide a verbal report.”

General Manager, Infrastructure Services Gutek provided a verbal update and recommended that the closure of a portion of public right-of-way on Avenue K South, north of 20th Street West and the CPR Railway not proceed unless the proponent and adjacent land owner agree on acceptable terms related to the closure.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 6**

His Worship the Mayor ascertained that there was no one present in the gallery who wished to address Council on this matter.

Moved by Councillor Lorje, Seconded by Councillor Heidt,

THAT the closure of a portion of public right-of-way on Avenue K South, north of 20th Street West and the CPR Railway not proceed unless the proponent and adjacent land owner agree on acceptable terms related to the closure.

CARRIED.

Moved by Councillor Heidt, Seconded by Councillor Donauer,

THAT Council go into Committee of the Whole to consider the reports of the Administration and Committees.

CARRIED.

His Worship the Mayor appointed Councillor Donauer as Chair of the Committee of the Whole.

Council went into Committee of the Whole with Councillor Donauer in the Chair.

Committee arose.

Councillor Donauer, Chair of the Committee of the Whole, made the following report:

THAT while in Committee of the Whole, the following matters were considered and dealt with as stated:

“ADMINISTRATIVE REPORT NO. 17-2011

Section A – COMMUNITY SERVICES

- A1) Land-Use Applications Received by the Community Services Department
For the Period Between September 1, 2011 to September 14, 2011
(For Information Only)
(Files CK. 4000-5, PL. 4350 and PL. 4300)**
-

RECOMMENDATION: that the information be received.

ADOPTED.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 7**

The following applications have been received and are being processed:

Rezoning

- Application No. Z10/11: 615 Rosewood Boulevard and N.W. corner of Rosewood Boulevard and Rosewood Gate North
Applicant: City of Saskatoon Land Branch
Legal Description: Part of N.E. ¼ 18-36-4-W3M
Current Zoning: R1A
Proposed Zoning: RMTN
Neighbourhood: Rosewood
Date Received: August 30, 2011

- Application No. Z11/11: 811 29th Street West
Applicant: Ashley Berrns/Dance Ink Ltd.
Legal Description: Lot 9, Block 44, Plan 101285737
Current Zoning: B2
Proposed Zoning: B1 by Agreement
Neighbourhood: Westmount
Date Received: September 8, 2011

Subdivision

- Application No. 58/11: Pritchard Terrace/Crescent, Sinclair Crescent and Meadows Boulevard
Applicant: Webster Surveys for Arbutus Park Property
Legal Description: Part of N.W. ¼ 17-36-4-W3M
Current Zoning: R1A
Neighbourhood: RMTN
Date Received: September 1, 2011

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications and/or greenhouse gas implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENTS

1. Plan of Proposed Rezoning No. Z10/11
2. Plan of Proposed Rezoning No. Z11/11
3. Plan of Proposed Subdivision No. 58/11

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 8**

**A2) Land Operations Reserve
(Files CK. 1815-1, PL. 4110-4 and LA. 1815-5)**

- RECOMMENDATION:**
- 1) that the 2011 Land Operations Reserve Limit be based on the annual Operating Budget of the remaining Land Branch Sections (Sales Section and Land Development Section) at an amount of \$2.696 million; and
 - 2) that \$864,000, being the amount in excess of the revised limit of the Land Operations Reserve, be reallocated through a future report to City Council.

ADOPTED.

BACKGROUND

A land administration fee is assessed on the sale or lease of all Land Bank property to fund the operations of the Land Branch. Six percent is levied on the total sales price of lots/parcels sold and on rental revenue earned. If cost recoveries from the administration fee amount exceed operating requirements in a year, then the excess is paid into a Land Operations Reserve. If expenditures exceed the cost recovery amount, the shortfall is drawn from the Land Operations Reserve. The purpose of the Land Operations Reserve is to ensure there is no mill rate impact in years when demand is low and land sales revenues are reduced. A limit was established in 2008 for the Land Operations Reserve equal to one and a half times the annual operating budget of the Land Branch. Funds in excess of this amount are transferred from the Land Operations Reserve to the Property Realized Reserve at year end.

City Council Policy C03-003 – Reserves for Future Expenditures provides direction related to the Land Operations Reserve:

22. LAND OPERATIONS RESERVE

22.1 Purpose

To accumulate funds for the purpose of offsetting any operating deficits, incurred in any year, resulting from lower land sales.

22.2 Source of Funds

Provision from the annual Operating Budget equal to any positive amount arising from the year's cost recovery minus operating expenditures for the City's Land Management Program.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 9**

22.3 Reserve Balance Limitation

The balance of the Land Operations Reserve shall not exceed one and a half times the annual Operation Budget of the Land Branch. Funds in excess of this amount shall be transferred to the Property Realized Reserve at year end.

22.4 Application of Funds

Funds may be used to finance any deficits arising when operating expenditures exceed cost recoveries for the City's Land Management Program.

REPORT

Effective July 1, 2011, a reorganization of the Land Branch operations resulted in some significant changes with the existing Branch Manager and three staff members from the Real Estate Section being moved to the newly created Corporate Project Team and the Urban Design Section being moved to the Planning and Development Branch. While these operations continue to be funded by Land Administration fee revenues, the changes have resulted in a reduction in the primary Land Branch operating expenditures. With the reduction in the Land Branch's primary operating costs the Administration is recommending the Land Operations Reserve limit be based on the annual Operating Budget excluding the new Corporate Project Team and the Urban Design Section.

Under the formerly structured Land Branch, the 2011 Land Operations Reserve Limit of \$3.560 million was set, based on the requirements in City Council Policy C03-003. With the staffing changes noted above salaries and other operating costs have been reduced resulting in a reduction of the required Land Operation Reserve Limit to \$ 2.696 million in 2011.

OPTIONS

There are no other options.

POLICY IMPLICATIONS

Adoption of the recommendations will not require a change to City Policy C03-003.

FINANCIAL IMPLICATIONS

There are no financial implications at this time.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 10**

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

**A3) Neighbourhood Land Development Fund Financial Information
(Files CK. 1815-1 and LA. 1815-7)**

- RECOMMENDATION:**
- 1) that City Council declare an additional \$3.85 million dividend from the Neighbourhood Land Development Fund; and
 - 2) that the \$3.85 million dividend and the \$379,000 contingency fund be allocated through a future report to City Council.

ADOPTED.

BACKGROUND

The purpose of this report is to outline financial performance to date and identify projected Return on Investment (ROI) for the Neighbourhood Land Development Fund. To date City Council has allocated \$60.25 million dollars to various Capital Projects and Operating Programs.

REPORT

As the two neighbourhoods of Hampton Village and Willowgrove continue throughout the various stages of development, both have flourished as two of the City's preferred living destinations. Sales and development activity in the areas have exceeded expectations of the initial vision and continue to this day. Saskatoon's strong economy, combined with improved neighbourhood amenities and with Saskatoon's continuing positive net migration and the allure of developments nearing completion, helped the Neighbourhood Land Development Fund project higher ROI than originally forecast.

The most recent projected ROI from the Neighbourhood Land Development fund is projected to be \$64.1 million, a \$3.85 million increase from the previous forecast. Various factors have contributed to the increase including improving financing costs from purchasers, market value increase and demand of higher end lots, and lower than expected carrying costs. This is the result of favourable economic conditions during the development time, realizing land value increases and overall projected expenses declining slightly.

The Willowgrove and Hampton Village neighbourhoods are both nearing completion for sales of single family lots. Willowgrove is completely sold out of residential lots. Two Commercial sites remain with one currently being advertised for Request for Proposal (RFP) closing in January 2012. The other is to be advertised for sale by RFP after it is understood the interest in the first site is determined. The sale of these two commercial properties will bring the sales phase to a close for

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

MONDAY, SEPTEMBER 26, 2011

PAGE 11

this development within an estimated 10 years, well ahead of its projected 17 year sell-out period. Hampton Village is sold out of inventory and has one phase of single family lots as yet un-serviced, but are planned to be released in 2012. Special Care Homes –Type II, Pre-Schools and Discretionary Child Care Centres and two multi-family sites on the east side of the neighbourhood also have yet to be released in this market. Despite this remaining inventory, Hampton Village is expected to be complete within 13 years which is four years before its projected 17 year sell-out period.

The neighbourhood pro formas for these developments are prepared using the best known current information, but are only estimates and require certain judgments. While many costs are now fixed in completed areas, others will remain beyond the sell out periods until the neighbourhood vision is fulfilled. Lots currently identified as sold remain at risk of being returned to City inventory causing increased carrying costs. Experience has shown that quick swings in housing demand can occur thereby increasing carrying, marketing and administrative costs.

In addition to the additional dividend, there is currently \$379,000 that was held within the Neighbourhood Land Development Fund as a land valuation contingency. It has been determined that this contingency is no longer required and is available for distribution.

POLICY IMPLICATIONS

There are no Policy implications.

FINANCIAL IMPLICATIONS

Allocation of the funds will be determined in a future report to Council.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

A4) Provincial Cost Sharing Grants – Affordable Housing Programs (Files CK. 1815-1, CK. 750-4 and PL. 950-21)

RECOMMENDATION: 1) that incremental tax abatements for an additional 1,000 rental units be made available under the Rental Land Cost Rebate Program to match funding committed by the Province of Saskatchewan;

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 12**

- 2) that Innovative Housing Incentive Policy No. C09-002 be amended to set the Maximum Income Limits for the Mortgage Flexibilities Support Program for households with dependents at the same level as the Maximum Income Limit specified by the Saskatchewan Housing Corporation for the provincial Affordable Home Ownership Program and that the Maximum Income Limits for households without dependents be set at \$7,500 below this amount;
- 3) that the Administration be directed to contract out the income screening for the Mortgage Flexibilities Support Program to a qualified individual or organization;
- 4) that the contribution of \$205,794.31 made by Innovative Residential Inc. to demonstrate the success of the Mortgage Flexibilities Support Program be refunded;
- 5) that \$3,677,500 of the \$5 million allocated to the New Rental Land Cost Rebate program on June 23, 2008, be re-allocated to the Innovative Housing Incentive Program and Mortgage Flexibilities Support Program as described in this report;
- 6) that the targets and affordable housing funding allocations described in this report be approved;
- 7) that the Mayor and City Clerk be authorized to execute under the corporate seal, the necessary agreements with the Province of Saskatchewan; and
- 8) that \$2.5 million of funding from the Neighbourhood Land Development Fund previously assigned to the Affordable Housing Reserve be released for reallocation through a future report to City Council.

BACKGROUND

During its June 23, 2008 meeting, City Council approved the creation of the New Rental Land Cost Rebate Program and set aside funding of \$5 million for the creation of 1,000 new rental units under this program. The program provides a capital grant of \$5,000 per unit and a five-year incremental property tax abatement for the construction of purpose-built rental housing. By 2010 the program was fully subscribed and funding was committed for 1,000 new units under the program. Most of these units are currently under construction and many of them will be complete by the end of 2011.

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

MONDAY, SEPTEMBER 26, 2011

PAGE 13

During its June 22, 2009 meeting, City Council approved a new affordable ownership housing incentive called the Mortgage Flexibilities Support Program (MFSP). This program provides a 5 percent down payment grant to eligible low- and moderate- income households towards the purchase of a new home in a designated project. The grant is financed from the Affordable Housing Reserve. The municipal and library property tax on the homes sold under the MFSP is directed back to the Affordable Housing Reserve until the amount of the down payment grant is recovered making the program self-financing. When the MFSP was implemented in 2009, a request was made to the Province of Saskatchewan (Province) asking that the education portion of the property tax also be directed to the Affordable Housing Reserve so that the down payment grants could be recovered sooner.

The income limits for the MFSP have been tied to the provincial Maximum Income Limits (MILs) for housing assistance, which have been \$52,000 for households with dependents and \$44,500 for households without dependents. These limits haven't changed since 2007.

During its December 20, 2010 meeting, City Council established a strategy to provide an annual allocation from the mil rate to the Affordable Housing Reserve of \$1.5 million. This allocation was to be phased-in over six years at \$250,000 per year. During the phase-in period the difference between the target allocation of \$1.5 million and the current level of support from the mil rate would be back filled from the Neighbourhood Land Development Fund. The first year of this strategy (2011) was completed.

REPORT

In March 2011, the Province announced new funding for housing in Saskatchewan called "The Saskatchewan Advantage Housing Plan" (Plan). Contained in the Plan are five new programs:

- 1) Headstart on a Home;
- 2) Affordable Home Ownership;
- 3) Rental Construction Incentive;
- 4) Investment in Rental Units; and
- 5) Habitat for Humanity Partnership.

The City of Saskatoon (City) was the first municipality in Saskatchewan to apply for these new funding programs and has received approval and confirmation for the following:

1. \$3,677,500 under the Rental Construction Incentive
The Rental Construction Incentive (RCI) shares the cost of incentives with municipalities for purpose-built rental housing. The RCI provides a grant of up to \$5,000 per rental unit to municipalities with incentive programs for the construction of new rental units. The municipality must provide a matching incentive of an equal or greater amount, which can be in the form of a cash grant or property tax abatement.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 14**

The City's existing Rental Land Cost Rebate Program meets all the criteria of the new provincial program. The City has been approved for provincial funding of \$3,677,500 for 874 of the units that have already been approved under the City's program. The only units that didn't qualify were those units that were already complete by April 1, 2011, or that had received other provincial funding. This will result in a cost recovery of \$3,677,500, which can be re-allocated to the Innovative Housing Incentive Program (Capital Grants) and the MFSP. This will reduce the need for the City to allocate other sources of funds to the affordable housing reserve over the next two years depending on capital grant allocation amounts per year.

2. \$5,000,000 for New Rental Units

The City has also been approved for funding of \$5 million for an additional 1,000 rental units under the provincial RCI to be completed between 2012 and 2015. The Administration is recommending that the City's Rental Land Cost Rebate Program be extended to fund an additional 1,000 units to take advantage of this cost-sharing arrangement. The City's contribution will be in the form of a five-year incremental property tax abatement and the Province will provide the \$5,000 cash incentive per unit.

A condition of the Provincial funding requires that the units be maintained as rentals for at least five years. The City has a 15 year requirement that we will continue to enforce.

The vacancy rate in Saskatoon has risen since dipping to below 1 percent in 2008, and we now have a balanced market (3.4 percent) due in part to the City's housing initiatives. However, to maintain a balanced market in a time of population growth, new rental units will need to continue coming on stream over the next few years. The extension of the Rental Land Cost Rebate Program for 1,000 additional units over the next four years will help to keep up with anticipated growth.

3. \$2,000,000 Under the Provincial Affordable Home Ownership Program

The Affordable Home Ownership Program (AHOP) allows the City to receive a grant equivalent to five years of the education portion of the property tax on an affordable home purchased by a low- or moderate- income household. The grants are to a maximum of \$5,000 per unit. The municipality must provide this grant along with its own contribution, equivalent to at least five years of the municipal portion of the property taxes to the homebuyer in the form of a down payment grant.

The City's MFSP meets all the criteria for cost sharing under the new provincial AHOP program. The City has been approved for the provincial grant for up to 400 homes sold under the MFSP with possession dates between April 1, 2011, and December 31, 2015. This grant totalling \$2 million will allow the City to recover the down payment grants after approximately five years of directing the municipal and library property tax to the Affordable Housing Reserve.

The 135 homes that were sold under the MFSP before April 1, 2011, as well as 15 homes in Pleasant Hill Village, that are eligible for provincial funding under a previous program

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 15**

will not be eligible for cost sharing under the provincial AHOP program. The City will need to allocate funding from within the Affordable Housing Reserve to these 150 units equivalent to five years of the education portion of the property tax to ensure that the down payment grants on these homes can be recovered in five years from the redirection of the municipal and library property tax to the Affordable Housing Reserve.

To launch the MFSP and demonstrate its success, Innovative Residential Inc. made a contribution equivalent to the education portion of the property tax on the first 50 of these 150 units. This contribution totalling \$205,794.31 can now be refunded to Innovative Residential Inc.

The success of this program has resulted in private homebuilders redirecting some of their profits towards similar incentive programs. Although private builders are not prepared to be the exclusive providers of such incentive programs, it is expected that they will match or better the number of units assisted through these types of incentive programs.

New Maximum Income Limits (MILs) for the Mortgage Flexibilities Support Program

To be eligible for the provincial AHOP program, the City is required to set specific household Maximum Income Limits (MILs) for affordable home ownership, which can be up to the level set by the Saskatchewan Housing Corporation (SHC), which will be \$60,000 for 2011 and may be adjusted from time to time if housing costs change.

The current MILs have not changed since July 2007, despite rapidly rising housing prices in Saskatoon since that time. The Administration has reviewed the cost of purchasing a home in Saskatoon, as well as the housing needs of households with and without dependents. Saskatoon has the highest housing prices in the province, and households with less than \$60,000 in annual income have very few housing choices. It is recommended that the annual income limits for households with dependents be the same as the MILs set by the province for the AHOP program and that the limit for households without dependents be \$7,500 less.

This recommendation would raise the limits for the MFSP to \$60,000 (households with dependents) and \$52,500 (households without dependents). These limits will apply to new projects approved under the MFSP. The income limits for affordable rental housing are not changing at this time.

Income Screening for MFSP

The SHC has been providing income screening and home ownership training for the City's MFSP; however, SHC has informed the City that it will no longer be providing these services for new projects approved under the MFSP. Therefore the City will need to take on these responsibilities.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 16**

The homeownership education will continue to be available online from SHC, and the City's responsibility will be limited to ensuring that all households applying for down payment grants have completed the homeownership training prior to their application being accepted.

The income screening component is more involved and requires specialized skills and training. It is recommended that the City outsource the income screening function and cover the cost of this service from the provincial AHOP grant. It has been estimated that the cost to contract out income screening should amount to about \$2,000 per year.

Summary of Affordable Housing Targets and Funding 2012 to 2016

The City has received funding commitments from the Province totalling \$10.67 million. Five million dollars must be committed towards 1,000 new rental units. Two million dollars must be directed towards the City's MFSP (400 units). The recovered funding from rental projects is \$3.67 million. This funding can now be redirected to other projects and continue the City's Affordable Housing Programs for the next few years. The Administration is recommending the following allocation of this recovered funding:

MFSP: Education Portion of Property Tax for 150 units: (Includes \$205,794 refund to Innovative Residential Inc.)	\$ 705,794
Innovative Housing Incentives (capital grants)	<u>\$2,971,706</u>
Total:	\$3,677,500

The funding that the City will receive from the Province for currently approved projects under the Rental Land Cost Rebate Program will fund the City's affordable housing incentives for a period of two years (2012 to 2013) at the current level of \$1.2 million per year. This funding will allow the City to offer capital grants under the Innovative Housing Incentives Policy No. C09-002 to support approximately 75 new units per year of the following types of affordable housing:

Affordable Rental Housing (35 units)	\$ 500,000
Affordable Ownership Housing (30 units)	\$ 570,000
Shelters/Transitional Housing (10 units)	<u>\$ 130,000</u>
Total Annual Capital Funding	\$1,200,000

Prior to receiving Provincial Funding, the following table illustrates the current funding strategy by the City to 2016:

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 17**

Year	Amount	Sources	Target
2008 – 2010	\$2.5 million per year	Nghd Land Dev.	500 units per year
2011	\$2.5 million	Nghd Land Dev.	500 units
	\$1.25 million	Nghd Land Dev.	
	\$250,000	Mil Rate	
2012	\$2.5 million	Nghd Land Dev.	500 units
	\$ 1 million	Nghd Land Dev.	
	\$500,000	Mil Rate	
2013	\$750,000	Nghd Land Dev.	500 units
	\$750,000	Mil Rate	
2014	\$500,000	Nghd Land Dev.	500 units
	\$1 million	Mil Rate	
2015	\$250,000	Nghd Land Dev.	500 units
	\$1.25 million	Mil Rate	

Future funding of \$1.5 million per year would have been funded from the mil rate.

The following table shows how the new Provincial Funding, coupled with City Funding will contribute towards the housing target of 500 units per year to the end of 2016:

Year	Amount	Sources	Program	Target (in units)
2012	\$250,000	Mil Rate		
	\$1.2 million	Prov Grant Cost Recovery	Capital Grants	75
	\$1.25 million	Prov Grant RCI	Rental Rebate	250
	\$400,000	Prov Grant AHOP	MFSP	80
	0	Private Builder	Private Incentive	80 – 100
2013	\$250,000	Mil Rate		
	\$1.2 million	Prov Grant Cost Recovery	Capital Grants	75
	\$1.25 million	Prov Grant RCI	Rental Rebate	250
	\$400,000	Prov Grant AHOP	MFSP	80
	0	Private Builder	Private Incentive	80 – 100
2014	\$250,000	Mil Rate		
	\$571,706	Prov Grant Cost Recovery	Capital Grants	35
	\$1.25 million	Prov Grant RCI	Rental Rebate	250
	\$400,000	Prov Grant AHOP	MFSP	80
	0	Private Builder	Private Incentive	80 – 100
2015	\$250,000	Mil Rate		
	Unknown	Unknown	Capital Grants	unknown
	\$1.25 million	Prov Grant RCI	Rental Rebate	250
	\$400,000	Prov Grant AHOP	MFSP	80
	0	Private Builder	Private Incentive	80 – 100

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 18**

Additional affordable housing units are also expected from community-based organizations with no financial assistance from the City. These units also contribute towards the goal of 500 new units per year.

OPTIONS

1. Approve the recommendations outlined in this report.
2. Make changes to the targets and income limits recommended in this report.
3. Make no changes to current housing policy or programs. This would limit the City's ability to take advantage of the provincial cost sharing programs.

Your Administration is recommending Option 1.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The City has been approved for \$10.7 million in cost sharing from the Province for affordable and rental housing incentives. Accepting this funding will have the following impact:

1. The \$3,677,500 approved by the Province for current rental projects will free up the same amount of funds within the Land Cost Rebate Program of the City's Affordable Housing Business Plan. It is proposed that \$2,971,706 of these funds be reallocated to the affordable housing incentives program from 2012 to 2013 inclusive. It is also proposed that \$705,794 be redirected to the Mortgage Flexibilities Support Program as described in item 3 on page 3 and 4 of this report.
2. The \$2 million approved by the Province to support down payment grants for the MFSP will reduce the number of years that it will take to recover the down payment grants to about five years. This means that the property tax revenue from affordable housing projects will enter the City's general funding stream sooner.
3. The \$5 million approved by the Province for future rental incentives for 1,000 new units will result in forgone tax revenue on these units for a period of five years.
4. The outsourcing of income screening for the MFSP mortgage will require an outlay of approximately \$2,000 per year for a period of five years beginning in 2011. This will be funded through the Mortgage Flexibilities Support Program.

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

MONDAY, SEPTEMBER 26, 2011

PAGE 19

5. The provincial funding will allow the City to redirect the following funds from the Neighbourhood Land Development fund, which was allocated to the Affordable Housing Reserve (December 2010) in 2012 to 2015:

2012	\$1,000,000
2013	\$750,000
2014	\$500,000
2015	<u>\$250,000</u>
Total:	\$2,500,000

With the desired amount in the Affordable Housing Reserve fully provided for over the next two to three years, your Administration is recommending that the \$2.5 million be released for reallocation through a future report to City Council.

6. There are two limitations placed on the funding from the Province that should be noted. First, no condominium conversions are permitted for five years, for properties supported by the Rental Incentives Program. This will be enforced by the City of Saskatoon, whereby we currently prohibit conversions for 15 years under our rental incentives program. Secondly, all funding allocations from the Province must be used in the year specified. No carry-over of funds from year to year is allowed. Your Administration considers this to be a reasonable condition, and given our previous experience with cash flows related to the Affordable Housing Program, we are prepared to manage accordingly.

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/or greenhouse gas implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

- IT WAS RESOLVED:* 1) *that the recommendation of the Administration be adopted; and*
- 2) *that the City send a letter of appreciation to the Province for its \$10.7 million in cost sharing for affordable and rental housing incentives.*

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 20**

Section B – CORPORATE SERVICES

**B1) Contract Award Report
May 1, 2011 to August 31, 2011
(Files CK. 1000-1 and CS. 1000-1)**

RECOMMENDATION: that the information be received.

ADOPTED.

REPORT

In accordance with Policy C02-030, Purchase of Goods, Services and Work, your Administration is required to report three times a year on the award of contracts and requests for proposals between \$50,000 and \$100,000. The attached report has been prepared detailing the contract awards for the period May 1, 2011 to August 31, 2011.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Contract Award Report – May 1, 2011 to August 31, 2011

Section E – INFRASTRUCTURE SERVICES

**E1) Request for Sole Source
Parking Enforcement and Document Services; Impound Lot Security and
Administration; Impounding Bylaw Enforcement Services; and
Red Light Camera Services Contracts
Canadian Corps of Commissionaires
(File CK. 5000-1)**

- RECOMMENDATION:**
- 1) that the following contracts be sole sourced to the North Saskatchewan Division of the Canadian Corps of Commissionaires:
 - a) Parking Enforcement and Document Services;
 - b) Impound Lot Security and Administration;
 - c) Impounding Bylaw Enforcement Services; and
 - d) Red Light Camera Services;
 - 2) that all of the contracts commence February 1, 2011, and be in effect for five years; and
 - 3) that the City Solicitor be instructed to prepare the necessary contracts for execution by His Worship the Mayor and the City Clerk, under the corporate seal.

ADOPTED.

REPORT

The Canadian Corps of Commissionaires has provided parking enforcement services to the City for over 30 years. Recently, these services have expanded to include the following services:

- Security and administrative services at the Impound Lot, which includes 24-hour maintenance and monitoring of the lot; receiving and releasing impounded vehicles; processing payments; inspecting vehicles; and conducting stolen vehicle checks;
- Impounding Bylaw (Bylaw 8640) enforcement services, which includes wheel clamping and arranging for seizure of vehicles which have been identified as having outstanding parking tickets; and
- Review and processing of red light camera violations, which includes reviewing and processing violations, processing summary offences, financial reporting and attending court on behalf of the City.

The five-year contract for the provision of parking enforcement and document services expired on November 30, 2010.

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

MONDAY, SEPTEMBER 26, 2011

PAGE 22

The Administration is recommending that the contracts for Parking Enforcement and Document Services; Impound Lot Security and Administration; Impounding Bylaw Enforcement Services; and Red Light Camera Services be sole sourced to the North Saskatchewan Division of the Canadian Corps of Commissionaires for five years for the following reasons:

- Commissionaires are fully trained and are aware of all City policies and procedures regarding parking enforcement and document serving. Therefore, no expense or time would be lost through training of new personnel;
- They are recognized by citizens as officials who enforce parking and serve documents;
- They are trained to a nationally standardized program that meets the requirements of the Canadian General Standards Board Regulations and hold quality assurance accreditation;
- The Corps of Commissionaires provides similar services to other cities in western Canada such as Victoria, Calgary, Red Deer and Regina;
- All Commissionaires have obtained St. John's Ambulance First Aid and CPR certification;
- An excellent working relationship exists between the Corps of Commissionaires and the City of Saskatoon;
- The Corps provides \$10,000,000 general liability insurance, \$5,000,000 non-owned automobile insurance and a \$50,000 employee dishonesty bond;
- They have received customer service and conflict avoidance and resolution training;
- The Commissionaires are comprised of individuals who have often had previous experience in law enforcement, which is an asset in performing the duties required by the City of Saskatoon; and
- Previous contracts between the City of Saskatoon and the Corps of Commissionaires have been awarded on a sole source basis.

The Canadian Corps of Commissionaires is a national not-for-profit organization, which provides employment opportunities, predominately to individuals who have served in the military or a police force. It does not receive any government operating grants. Except for some administrative costs, all funds received for services performed are distributed to their members. The Board of Governors that oversees the policies and regulations of the Commissionaires is composed of local volunteers.

OPTIONS

One option could be to tender for these services, however, the Administration does not recommend this in light of the benefits stated above.

POLICY IMPLICATIONS

There are no policy implications.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 23**

FINANCIAL IMPACT

The approximate annual values of the contracts with the Corps of Commissionaires for 2010, 2011 and 2012 are as follows:

	2010	2011	2012
Parking Enforcement and Document Service	\$840,000	\$866,000	\$875,000
* Impound Lot	\$219,000	\$226,000	\$229,000
* Red Light Camera	\$45,000	\$46,000	\$47,000
* C.O.P.E. Squad (vehicle seizures)	\$135,000	\$139,000	\$141,000
	\$1,239,000	\$1,277,000	\$1,292,000

* Additional 5% P.S.T. to be applied, effective July 1, 2011.

There is sufficient funding within the Operating Budgets.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy C01-021, Public Notice Policy, is not required.

Section F – UTILITY SERVICES

**F1) Saskatoon Light & Power
Sole Source Purchase Over \$100,000 – Electricity Meters
(Files CK. 1000-2 and WT. 2000-1)**

- RECOMMENDATION:**
- 1) that the purchase of 5,800 electricity meters from Elster Metering, a Division of Elster Canadian Meter Co. Inc., for \$660,300.86 including taxes be approved; and
 - 2) that the Purchasing Manager be authorized to issue the Purchase Order to Elster Metering for this purchase.

ADOPTED.

BACKGROUND

Saskatoon Light & Power (SL&P) requires the purchase of residential and commercial electricity meters for the remainder of its 2011 annual meter replacement program. This item is included in the approved 2011 Capital Budget. SL&P has made sole source purchases of Elster electricity

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 24**

meters since 2008. Elster meters are best suited for the present and future metering requirements for the Utility.

REPORT

The purchase of these meters is a continuation of the ongoing replacement of the Utility's electro-mechanical meters. The old meters often fail accuracy requirements as mandated by Measurement Canada. The new electronic meters are significantly more robust and accurate and can provide much more value added information and capabilities to the Utility. Approximately 15% of SL&P's current meter population are Elster electronic meters.

Existing electro-mechanical meters typically slow down over time resulting in reduced revenue for the City and increased difficulties in meeting Measurement Canada accuracy requirements. The replacement of the aging electro-mechanical meters with the more accurate electronic meters will result in increased revenue. The reason for sole sourcing this purchase from Elster Metering is to continue with meters that are compatible with the Elster EnergyAxis communication network, leveraging our existing electronic meter deployment and investment. Elster continues to hold a significant share of the utility marketplace proving their capability as a long term meter supplier. To date, both the performance and pricing of Elster electricity meters have met our expectations.

OPTIONS

Saskatoon Light & Power has selected Elster Metering electricity meters as our Utility standard and as a result no other options were considered.

POLICY IMPLICATIONS

There are no policy implications with respect to this purchase.

FINANCIAL IMPACT

There are adequate funds in the approved 2011 Capital Project #724 for the purchase of these meters. The prices quoted are within budget estimates. A breakdown of the costs is indicated below:

Elster REX2 and A3Alpha Meters	\$600,273.50
G.S.T. (5%)	30,013.68
P.S.T. (5%)	<u>30,013.68</u>
Total Cost to the City	\$660,300.86
Less G.S.T. Rebate	<u>30,013.68</u>
Net Cost to the City	\$630,287.18

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/or greenhouse gas implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Elster Metering Canada Quote

Section G – CITY MANAGER

- G1) 2010 Report on Service, Savings, and Sustainability:
How the City of Saskatoon is Improving its Productivity
(Files CK. 430-75 and CC. 100-27)**
-

RECOMMENDATION: that the information be received.

IT WAS RESOLVED: that the matter be considered with the presentation from the speaker. See Page No. 42.

- G2) Second Quarter Results – City of Saskatoon’s 2011 Budget and Business Plan
(Files CK. 100-14, x 1700-1, CC. 1700-1 and CC. 100-14)**
-

RECOMMENDATION: that the information be received.

ADOPTED.

BACKGROUND

The City of Saskatoon has a strong business plan and budget model in place to guide the investment activities, projects, and service levels based on what citizens want and need. In December 2010, City Council approved the City of Saskatoon’s 2011 Budget and Business Plan, entitled “*A New Era, A New Plan, A New Budget*”. The Budget provides the financial plan to support the Business Plan, which in turn, aims to reflect the needs of the community based on City Council and citizen input.

The 2011 Business Plan and Budget identifies key projects and initiatives that the City aims to accomplish, and identifies the financial resources for capital infrastructure projects and day-to-day operations. The Business Plan and Budget achieves the following:

- ties the resources allocated to the various programs, services, and projects to clear and achievable plans;

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL

MONDAY, SEPTEMBER 26, 2011

PAGE 26

- integrates the capital and operating budgets to enable more effective management of the City's financial resources; and,
- combines the operating and capital budgets so that the full costs of funding the City's business lines are more clearly understood.

The investments, programs, and services in the City of Saskatoon's 2011 Budget and Business Plan have been developed to support a desirable quality of life in the community based on citizen expectation, balanced with the City's ability to secure both human and financial resources to deliver the programs and services that the people of Saskatoon rely on each and every day.

REPORT

This report presents the second quarter results for the City of Saskatoon's 2011 Budget and Business Plan as of June 30, 2011. This report is an attempt to be more accountable, transparent, and efficient in the management of the City's financial resources and key projects.

In spring 2010 the City of Saskatoon was awarded the Government Finance Officers Association's, Canadian Award for Financial Reporting for our 2008 statements. The award acknowledges governments that prepare comprehensive financial reports that evidence the spirit of transparency and full disclosure.

Quarterly status updates on the City's Budget and Business Plan will help to ensure that Council and the Administration are aware of emerging budget and business plan issues and challenges, so they can react accordingly. By providing these quarterly reports, this will help the City to mitigate any financial or corporate risks that may result from unplanned events, or new challenges that may emerge throughout 2011.

Highlights of Second Quarter Results

Business Plan

A large majority of the projects identified in the Business Plan are on target. Attachment 1 provides a detailed summary of the status of key projects outlined in the City's 2011 Business Plan as of June 30, 2011. Highlights of these projects and status updates from the first quarter report are noted (by business line) below:

Public Safety

- The design-build proposal for the new Saskatoon Police Service headquarters was approved by City Council, as negotiated with EllisDon Corporation. The design and construction are currently underway, and the basement excavation is planned to start in September.
- The radios for Fire & Protective Services and Utility Services have been purchased.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 27**

Land Development

- Servicing of lots has continued in Rosewood, Evergreen, and the Marquis Industrial Area, while lot sales have occurred in Hampton Village, Evergreen, and Rosewood.
- The concept plan for the Kensington neighbourhood will be sent to City Council for approval in fall 2011.

Utilities

- Progress continues on the alternative energy projects:
 - the turboexpander power generator expected to generate electricity for 600 homes with zero emissions – detailed design is in progress;
 - the gas collection system at the Saskatoon Landfill – placement of the landfill earth cover is currently underway; and,
 - the tall wind turbine to generate electricity for up to 600 homes – the wind and environmental assessments are underway and planned to be completed by fall 2011.
- Final design is being completed for the major upgrades to the water reservoir located at Avenue H and 11th Street.
- River crossing pipeline is installed for the new raw water intake and pump house. This facility will provide for the current and future water supply needs of the City.

Transportation

- Circle Drive South Project – all girders on the west side have been installed for the South Bridge, all girders on the 11th Street interchange are installed, and work on girders for Lorne Avenue and Idylwyld overpasses are underway.
- Assessment of short and long-term bus refurbishment has been completed.
- Signal priority system for five intersections have been installed in some buses to improve the transit service between downtown and the University of Saskatchewan – testing of the system will begin in September.

Urban Planning and Development

- 3rd Avenue streetscape work has been substantially completed from 19th Street to 22nd Street.
- The Westmount Local Area Plan was adopted by City Council on June 27, 2011.

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 28

- A jointly funded project was approved by the RM of Corman Park Council to undertake a Concept Plan for the south east sector of the Planning District.

Recreation and Culture

- A \$30M contribution from the Frank and Ellen Remail Foundation to the Art Gallery of Saskatchewan was announced. This private donation is believed to be the largest in provincial history, with \$15M allocated toward the capital cost of the building and the additional \$15M directed to enhanced programming for the new facility. This will supplement the project funding previously announced from the Government of Canada and the Province of Saskatchewan.
- Construction is underway for the new Mayfair Pool.

Environmental Health

- The master plan for landfill optimization is complete.

Community Support

- A self-assessment tool for community associations has been developed and is being implemented to ensure accountability for use of grant funds and organizational effectiveness.

Corporate Governance and Finance

- Market data has been gathered and vetted for 2008 - 2010 in preparation for the 2012 property reassessment.

Budget

The City of Saskatoon is fiscally strong, with strong reserves, strong financial statements and strong fiscal policies. It is one of only three cities in the country to receive a “AAA” stable credit rating from Standard & Poors, making it one of the most fiscally responsible cities in Canada. It has maintained this credit rating for 20 years.

The City of Saskatoon’s 2011 Budget provides combined capital and operating investments of approximately \$676 million, with approximately \$351 million going to capital projects, and \$325 million going toward paying for the City of Saskatoon’s operations. As of June 30, 2011, the City of Saskatoon is projecting an operating budget deficit of \$1.1 million. This represents 0.3% of the total operating budget of \$325 million.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 29**

Attachment 1 provides a detailed overview of the City's financial position for the second quarter of 2011. The major budget variances are as follows:

- increased fuel costs (\$1.0M)
- increased firefighter employment costs (\$600,000)
- higher payroll costs (\$500,000)
- road maintenance costs due to spring water drainage issues (\$450,000)
- increased electrical charges at Shaw Centre (\$110,000)

There are some positive variances to offset these items:

- interest revenues and SaskPower franchise fees related to growth (\$820,000)
- increased taxation due to growth and building activity (\$600,000)
- increase in long-term leases for civic-owned property (\$210,000)
- increase in fine revenues through enforcement and parking violations (\$200,000)
- increase in parking revenues (\$240,000)

POLICY IMPLICATIONS

Fuel Stabilization Reserve

The increase in fuel costs continues to be a significant factor in the financial projections for 2011. Fuel was projected to be \$1.1M over expenditure as reported in the first quarter results.

The City currently has a contract in place with PetroCanada for unleaded gas and diesel requirements. The City has also used future pricing. Both methods have proven successful in the past; however, it is impossible to predict fuel prices with any certainty.

At the July 12, 2011, Special Executive Committee meeting regarding the Service Review, the following was resolved:

“that the City establish a Fuel Stabilization Reserve to mitigate the impact of varying fuel rates on the City's annual budgeting and actual results process.”

The establishment of a Fuel Stabilization Reserve will be used to specifically offset the fuel fluctuations and will have a balance sufficient to cover the City's risk. This level is currently being examined. The intent is to transfer an equivalent amount from the existing Revenue Stabilization Reserve, which currently has a balance of \$3.7M. Future contributions to this reserve will either be through actual year-end results or a planned contribution.

The Administration will outline the details of the policy requirements for a fuel stabilization reserve in a future report to City Council.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 30**

FINANCIAL IMPLICATIONS

This report identifies that, at second quarter of 2011 (June 30, 2011), the City of Saskatoon is forecasting a 2011 budget deficit of \$1.1M. The City has closely managed its expenditures and has made preliminary budget adjustments based on the initial forecasted deficit of \$1.4M reported in the first quarter (March 31, 2011).

The Administration will continue to closely monitor and manage the expenditures, and even further cost reductions may need to be explored in various operating programs.

As stated above, the \$1.1M forecasted deficit translates to less than half a percent (0.3%) of the total operating budget of \$325M for the City. This tradition of strong fiscal management further demonstrates why the City of Saskatoon was named “Canada’s Second Best Run City” (*Maclean’s Magazine*, July 2009) and why it continues to receive the highest credit rating available.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

COMMUNICATIONS PLAN

Your Administration will continue to provide quarterly updates on the City’s 2011 Budget and Business Plan to keep City Council and the taxpayers informed of the City’s financial position, as well as the progress of key projects over the 2011 budget and business plan cycle.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. 2011 Business Plan Status Report - Second Quarter Results (June 30, 2011).

LEGISLATIVE REPORT NO. 11-2011

Section A – OFFICE OF THE CITY CLERK

A1) Public Notice Requirements
Council Policy C01-021
(File No. CK. 255-2-1, x116-1)

RECOMMENDATION: that Public Notice Policy C01-021 be amended by requiring that public notices be published in The StarPhoenix on one occasion rather than two occasions.

ADOPTED.

Attached is a copy of Public Notice Policy C01-021. The policy sets out certain matters for which public notice must be given, and Sections 4 and 12.1 require that public notice be published in The StarPhoenix on two occasions.

The statutory requirement for public notices is for one advertisement to be placed in one local newspaper. City Council chose to enhance the public notice process by publishing public notices for two consecutive weeks.

The above recommendation is put forward in order to administer the public notice process in a more streamlined and cost-effective manner. The Administration will utilize social media to alert people to public notices, and will continue to explore other ways of disseminating public notice information.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Public Notice Policy C01-021

A2) Ward Boundaries
(File No. CK. 265-2)

RECOMMENDATION: that the information be received.

Sections 57 – 62 of *The Cities Act* sets out the rules for establishing ward boundaries. The *Act* requires that City Council appoint a Municipal Wards Commission to establish ward boundaries and that the population of each ward must not vary by more than 10% from the figure that is obtained by dividing the total population of the city by the number of wards into which the city is

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 32**

divided. The Municipal Wards Commission is also required to review the boundaries of the wards at least once every nine years or when the population of a ward exceeds the 10% variance limit.

Ward boundaries were reviewed in 2008 and new ward boundaries were established for the October 2009 civic election. The ward boundaries were drawn so as to accommodate the City's future growth in Wards Ten, Three, Four and Seven, and it was hoped that these new ward boundaries would be able to be utilized for more than one term. Unfortunately this objective has not been achieved – current ward populations, based on the most recent figures obtained from the City's planning officials, show that Ward Ten's population exceeds the 10% variation limit.

City Council has appointed a Municipal Wards Commission, which is comprised of Mr. Justice Peter Foley, Professor Joseph Garcea, and the City Clerk. The Municipal Wards Commission will now undertake the process of reviewing the ward boundaries, which will include at least one public meeting in order to receive input from the community. The new wards will be established by early 2012, to take effect for the October 2012 civic election.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

IT WAS RESOLVED: 1) that the information be received; and
2) that the general matter of number of wards be reviewed at a public meeting of the Executive Committee.

Section B – OFFICE OF THE CITY SOLICITOR

**B1) Request for Postponement of Interests (Caveats)
Cheshire Homes (Management)
(File No. CK. 750-2-2)**

RECOMMENDATION:

- a) that the City of Saskatoon caveats, registered as Interest Numbers 109592905, 109592398 and 109592950 against the title to Lot A, Block 633, Plan No. 75S15282 Ext 0 as described on Certificate of Title 80S10485, be postponed in favour of TCU Financial Group Credit Union Mortgage, Interest Number 156033389 and Assignment of Rents, Interest Number 156034166; and
- b) that the Mayor and City Clerk be authorized to execute the required postponement documents.

ADOPTED.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 33**

This Office has received a request from the solicitors for Cheshire Homes (Management) (“Cheshire”) to postpone three caveats registered in favour of the City against the title to Cheshire’s property located at 2509 Louise Street. Cheshire is in the process of re-financing its property with the TCU Financial Group (“TCU”). As part of the lender’s security, TCU requires the postponement. The stated amount of the TCU mortgage and assignment of rents is \$250,950.00.

The first caveat relates to a 1973 Reversion Agreement between the City and Cheshire. The City initially transferred the subject property to Cheshire for the sum of \$35,092.75 payable in shares of Cheshire Homes (Management). In return Cheshire contracted that, should the land not be used for the care of young, physically handicapped persons on a non-profit basis, the land would be re-conveyed to the City.

The second two caveats relate to a Planned Unit Development Agreement (P.U.D.) and an amendment to that Agreement. P.U.D. Agreements are agreements that were provided for under past iterations of *The Planning and Development Act* and are the precursor of the current Zoning by Agreement. The P.U.D. Agreements are continued by the provisions of *The Planning and Development Act, 2007* and contain the zoning provisions applicable to the property.

The effect of postponing the Reversion Agreement is that it would be subject to the TCU security. This Agreement has been postponed in the past and was subject to the former financing encumbrances on title. P.U.D. Agreements are protected by s. 236 of *The Planning and Development Act, 2007* in the same manner as a Rezoning Agreement in that they are not subject to the lapsing procedure under *The Land Titles Act, 2000*.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

**B2) Review of Subscription Fees
Bylaw No. 7604 - The False Alarm Fees Bylaw, 1997
(Files CK. 1720-1, x 116-1)**

RECOMMENDATION: that City Council consider Bylaw No. 8973.

ADOPTED.

The Executive Committee at its meeting on August 16, 2011, considered a request from the Board of Police Commissioners that would see the subscription fee for each premises increase from \$15.00 to \$25.00. The Executive Committee asked the City Solicitor to prepare for City Council’s consideration an appropriate amendment for Bylaw No. 7604, The False Alarm Fees Bylaw, 1997.

Attached is Bylaw No. 8973 which reflects the fee increase for Council’s consideration.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. Proposed Bylaw No. 8973.

REPORT NO. 13-2011 OF THE PLANNING AND OPERATIONS COMMITTEE

Composition of Committee

Councillor P. Lorje, Chair
Councillor C. Clark
Councillor R. Donauer
Councillor B. Dubois
Councillor M. Loewen

1. **Walkway Closure Application
Walkway Between 333 Turtle Crescent and 403 Turtle Place
AND
Enquiry - Former Councillor G. Wyant (December 14, 2009)
Cost - Walkway Closures
AND
Proposed Amendments to Policy C07-017
Walkway Evaluation and Closure
(File No. CK. 6295-1)**

- RECOMMENDATION:**
- 1) that amendments to Policy C07-017 – Walkway Evaluation and Closure, as outlined in the August 11, 2011 report of the General Manager, Infrastructure Services Department, be approved; and
 - 2) that all existing applications for closure of walkways be processed under the existing policy, subject to a review of the costs associated with walkway closures and further reporting on cost recovery options.

Attached is a report of the General Manager, Infrastructure Services Department dated August 11, 2011, with respect to the above.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 35**

Your Committee has reviewed the report with the Administration and supports the amendments to Policy C07-017 – Walkway Evaluation and Closure, as outlined in the August 11, 2011 report of the General Manager, Infrastructure Services Department.

Your Committee, however, is recommending that all existing applications for closure of walkways be processed under the existing policy, rather than under the revised policy, as recommended by the Administration. Your Committee's recommendation with respect to existing applications is subject to review of the cost implications and further reporting on cost recovery options.

- IT WAS RESOLVED:*
- 1) *that amendments to Policy C07-017 – Walkway Evaluation and Closure, as outlined in the August 11, 2011 report of the General Manager, Infrastructure Services Department, be approved;*
 - 2) *that all existing applications for closure of walkways be processed under the existing policy, subject to a review of the costs associated with walkway closures and further reporting on cost recovery options; and*
 - 3) *that the Administration provide a report back on the program by the end of 2012.*

REPORT NO. 8-2011 OF THE LAND BANK COMMITTEE

Composition of Committee

Councillor M. Heidt, Chair
Councillor D. Hill
Councillor P. Lorje
Councillor G. Penner

**1. Lot Supply – Builder and Developer
(File No. CK. 4110-1)**

RECOMMENDATION: that the information be received.

ADOPTED.

Attached is a report of the General Manager, Community Services Department dated August 29, 2011 forwarding information on the single family and multi-family inventory held by homebuilders and land developers, as well as the projected single family lot availability by neighbourhood for 2011 from major land developers in Saskatoon. Your Committee receives updates on a quarterly basis, and has submitted this report to City Council as information.

2. Revised Proposed Changes to Residential Lot Sales – General Policy
(File No. CK. 4110-36)

- RECOMMENDATION:**
- 1) that City Council Policy C09-006 be amended to revise Section 3.2 b) to reflect the proposed residential lot allocation process for Eligible Contractors, as described in the attached report;
 - 2) that the proposed changes be in effect for a trial basis for the remaining Lot Draws scheduled for 2011; and
 - 3) that the Administration report in three to six months' time on the trial program and on ways to control the number of eligible contractors including a review of the definition.

The Committee reviewed a proposal from the General Manager, Community Services Department dated April 1, 2011 to revise the Residential Lot Sales Policy – General Policy at its April 8th meeting. This report contained proposed changes intended to provide the homebuilding industry with both the certainty that they require and the flexibility to meet the varied demands that are made upon them by their clients and assist the industry to build and sustain their capacity during periods of growth in the community. Eligible contractors were provided with a copy of the proposal which was to use the previous three-year calendar history of total sales as a method of ranking Eligible Contractors for lot selection during the lot draws. The three-year history was also used to identify the percentage of overall lots each eligible contractor had purchased from the City during that period. The report proposed that lots would be allocated to Eligible Contractors based on their historical purchasing percentage. This report also included a proposal to change the lot draw allocation ratio from a 70%/30% distribution to an 80%/20% distribution for Eligible Contractors versus private individuals.

The Committee met with Eligible Contractors to allow them to comment on the proposed changes to the Policy. At its meeting held on April 8th, the Committee received a total of 29 written responses and heard 10 speakers at the meeting, almost all expressing concern about the proposed changes. These concerns included, but were not limited to the following issues:

- Review of possible changes to the number of lots selected by larger builders in one sitting;
- Review of possible changes to allow all Eligible Contractors equal opportunity to grow;
- Review of possible change to the length of time to determine ranking of Eligible Contractors (five year vs. three year);
- Review the possibility of requiring Eligible Contractors to select lots from east and west side neighbourhoods; and
- Review of how incentives for infill building could be incorporated into the Single Family (SF) lot distribution process.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 37**

Your Committee referred the matter back to Administration to comment on the concerns raised above, and also submitted a report to City Council recommending the change in the lot draw allocation ratio to 80%/20%. This was approved by City Council at its meeting held on April 18, 2011.

In the meantime, the Administration has been reviewing the concerns raised by Eligible Contractors, and has dealt with eligible contractors directly on these issues, following authorization from the Land Bank Committee. Attached is a report of the General Manager, Community Services Department dated August 29, 2011 which contains a new set of changes to the Residential Lot Sales Policy following Administration's review with Eligible Contractors. Your Committee invited responses from the Eligible Contractors for the September 16, 2011 Committee meeting at which time this report was discussed. Three responses were received, one requesting to speak in favor of reducing the number of eligible contractors. One submission asked for the status quo, one raised a question about how to recognize builders that construct infill housing and yet want to ensure they are Eligible Contractors, and one (same company as the speaker) expressed concern about the growing number of Eligible Contractors.

Your Committee has reviewed the report, and is satisfied that the proposed changes will alleviate many of the concerns. Your Committee has added a resolution requesting that Administration report back in 3-6 month's time in order to provide an analysis on the impact of the changes, should there be a need for further trial or for further changes.

The City Clerk distributed copies of a letter from Zubair Sheikh, dated September 23, 2011, submitting comments.

IT WAS RESOLVED: that the recommendation of the Land Bank Committee be adopted.

3. Request to Sell City-Owned Property

Evergreen Neighbourhood Phase 3 on Zary Road, Sauer Crescent, Sauer Lane, Sauer Terrace, Sauer Rise, Roy Crescent, Roy Terrace, Evergreen Boulevard, Maningas Bend, Johns Road, Wyant Lane, and Rajput Way. Registered Plan 102056846: Block 619, Lots 22 to 39; Block 620, Lots 1 to 6; Block 621, Lots 1 to 6; and Block 625, Lots 1 to 9. To be Registered: Block 620, Lots 7 to 35; Block 621, Lots 7 to 21; Block 622, Lots 1 to 15; Block 623, Lots 1 to 36; Block 624, Lots 1 to 8; Block 625, Lots 10 to 34; Block 626, Lots 1 to 43; Block 645, Lots 1 to 46; Block 646, Lots 1 to 14; Block 647, Lots 1 to 10; Block 648, Lots 1 to 8; Block 649, Lots 1 to 40; Block 650, Lots 1 to 50; and Block 651, Lots 1 to 25.

(File No. CK. 4215-1)

RECOMMENDATION: 1) that the Land Bank Manager be authorized to sell 367 lots in the Evergreen Neighbourhood through the Lot Draw process as outlined in the attached report;

MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 38

- 2) that any of the lots which are not sold through the Lot Draw process be placed for sale over-the-counter on a first-come, first-served basis;
- 3) that the Land Bank Manager be authorized to sell Lots 8 and 9, Block 626, yet to be Registered, to the highest bidder through a tender process for the intended use of developing Type 2 Residential Care Homes, Child Care Centres or Pre-Schools with tender conditions and reserve bid prices as outlined in the attached report, plus applicable taxes;
- 4) that His Worship the Mayor and the City Clerk be authorized to execute the necessary documentation to complete the sales by public tender;
- 5) that any of the pre-designated Type 2 Residential Care Home, Child Care Centre or Pre-School lots which are not sold through the public tender process be placed for sale over-the-counter on a first-come, first-served basis, for the same intended purpose for a period of one year with conditions specified in the Sales Agreements, as outlined in the attached report;
- 6) that any of the pre-designated Type 2 Residential Care Home, Child Care Centre or Pre-School lots remaining in inventory after a period of one year be made available for sale over-the-counter on a first-come, first-served basis for one of the permitted uses within the R1A zoning district; and
- 7) that the Land Bank Manager be authorized to administer development controls for the 403 lots in accordance with the criteria outlined in the attached report.

ADOPTED.

Attached is a report of the General Manager, Community Services Department dated August 31, 2011 regarding the sale of 367 lots in the Evergreen Neighbourhood.

Your Committee has reviewed this report with the Administration, and has requested that the 36 lots affected by the 138 KV power line be left unpriced and unsold until after the power line is moved.

Your Committee supports the proposal to sell the 367 lots in Evergreen Neighbourhood, at the prices outlined in the report.

4. Request to Sell City-Owned Property

Rosewood Neighbourhood: Werschner Crescent, Werschner Lane, Hastings Crescent and Hastings Lane.

Registered Plan 102037799: Block 12, Lots 88 to 129; Block 13, Lots 1 to 25; Block 14, Lots 1 to 60; Block 15, Lots 1 to 25; and Block 16, Lots 1 to 18.

(File No. CK. 4215-1)

RECOMMENDATION:

- 1) that the Land Bank Manager be authorized to sell 170 lots in the Rosewood Neighbourhood through a Lot Draw process, as outlined in the attached report;
- 2) that any of the lots which are not sold through the Lot Draw process be placed for sale over-the-counter on a first-come, first-served basis; and
- 3) that the Land Bank Manager be authorized to administer development controls for the 170 lots in accordance with the criteria outlined in the attached report.

ADOPTED.

Attached is a report of the General Manager, Community Services Department dated August 18, 2011 regarding the sale of 170 lots in the Rosewood Neighbourhood.

Your Committee has reviewed this report with Administration and supports the sale of these lots, as outlined in the report.

REPORT NO. 15-2011 OF THE EXECUTIVE COMMITTEE

Composition of Committee

His Worship Mayor D. Atchison, Chair
Councillor C. Clark
Councillor R. Donauer
Councillor B. Dubois
Councillor M. Heidt
Councillor D. Hill
Councillor M. Loewen
Councillor P. Lorje
Councillor T. Paulsen
Councillor G. Penner

**1. Chief Whitecap Park Master Plan
(File No. CK. 4205-38)**

RECOMMENDATION: that the information be received.

ADOPTED.

The following report of the General Manager, Community Services Department dated September 2, 2011 is submitted for Council's information.

"BACKGROUND

Chief Whitecap Park and the adjacent floodplains are a large area of land that offers many benefits to a variety of people. Chief Whitecap Park is owned and operated by the City of Saskatoon (City) and is located south of the city limits on Cartwright Street, and is bordered by the South Saskatchewan River to the west, the Riverside Country Club to the south, and the Hamlet of Furdale to the north and east.

During its June 14, 2010 meeting, City Council approved the Chief Whitecap Park Master Plan (Master Plan). The proposed Master Plan provides direction on the future design and function of this space. The Master Plan includes a large off-leash dog area, improvements to pathways and park amenities including the development of adequate parking areas for users, the naturalization of a large upland area, and an interpretive area for cultural, historical, and natural interpretations.

City Council also approved that the Administration proceed with a request for development review approval of the Master Plan from the Meewasin Valley Authority (MVA), proceed with a request for discretionary use approval from the Rural Municipality (R.M.) of Corman Park, and prepare a submission for the 2011 Capital Budget for Chief Whitecap Park.

During its February 28, 2011 meeting, City Council resolved that a letter received from Chief Darcy Bear dated February 10, 2011, be referred to Administration. This letter indicated that Chief Darcy Bear would appreciate a briefing on the status of the Master Plan approval and implementation timeline. Chief Darcy Bear also requested a time to meet and discuss the opportunity to link Whitecap Dakota First Nation's plans of incorporating historic monuments into the Master Plan.

The purpose of this report is to provide City Council with an update on the Master Plan.

REPORT

The development of a Master Plan will allow the Administration to request discretionary use approval from the R.M. of Corman Park, as well as development review approval from the MVA. Detail design and construction of Chief Whitecap Park cannot proceed until the City

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 41**

receives formal approval from the R.M. of Corman Park, the MVA, and until capital funding is in place.

Last fall, the Leisure Services Branch submitted and received approval of the Master Plan from the MVA Development Review Committee. The approval of the Master Plan is subject to the City submitting a detailed design to the MVA within the next 60 months. Approval ensures the Master Plan is consistent with the planning principles for the MVA.

On September 29, 2010, your Administration submitted a discretionary use application to the R.M. of Corman Park requesting approval of the Master Plan. Since this time, your Administration has been working with the R.M. of Corman Park planners to address concerns on traffic and roadways, parking, policing, safety, facility implementation, and timing. The R.M. of Corman Park is requesting traffic estimates, an assessment of the physical capacity, and the level of service of Cartwright and Grasswood Roads. This has prompted the City to work with a traffic engineering consultant this fall to complete a traffic study to:

- 1) review existing traffic volumes and roadway classifications;
- 2) forecast 5-year traffic volumes;
- 3) assess the existing roadway capacity; and
- 4) determine the level of service and deficiencies in capacity.

On May 16, 2011, your Administration met with Chief Darcy Bear and members of the Whitecap Dakota First Nation Council and senior management. During this meeting, your Administration provided an update on the status of the Master Plan, and it was an opportunity to discuss Whitecap Dakota First Nation's plans of incorporating historic monuments into the Master Plan. As the development of Chief Whitecap Park moves from the Master Plan phase to detailed design, the City will continue to work with Whitecap Dakota First Nation and partner together whenever possible on the implementation of the Master Plan.

OPTIONS

There are no options.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

During its December 13, 2010 meeting, City Council approved the 2011 Capital Budget, and the 2012 to 2015 Capital Budget Plan, including \$50,000 for a portion of the detailed design. The 2012 and 2013 plans include the completion of the detailed design and the phasing of the Master Plan implementation at a cost of \$1.09 million.

The City will begin detailed design subject to the R.M. of Corman Park approving the City's discretionary use application to formalize the permitted program uses indentified in the Master Plan.

STAKEHOLDER INVOLVEMENT

The Master Plan was completed in June 2010 and was developed through consultation with major stakeholders including the Whitecap Dakota First Nation, the MVA, the R.M. of Corman Park, residents neighbouring the park, and the current park users.

PUBLIC COMMUNICATION PLAN

The Master Plan progressed through a number of stages from conception to approval. A Steering Committee was formed to identify all of the user and stakeholder's interests. A program plan was created using feedback from the Steering Committee and park user surveys. Two open houses were held where the Master Plan was presented for public comment. As a result of this public consultation process, a revised Master Plan was produced and presented to and approved by City Council in June 2010.

Your Administration will continue to meet with stakeholders, residents neighbouring the park, and current park users to keep them informed throughout the implementation of the Master Plan.

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/or greenhouse gas implications.

PUBLIC NOTICE

Public Notice, pursuant to Section 3 of the Public Notice Policy No. C01-021, is not required."

ADMINISTRATIVE REPORT NO. 17-2011 – CONTINUED

- G1) 2010 Report on Service, Savings, and Sustainability:
How the City of Saskatoon is Improving its Productivity
(Files CK. 430-75 and CC. 100-27)**
-

RECOMMENDATION: that the information be received.

BACKGROUND

City Council, at its meeting of February 7, 2005, adopted the following recommendations:

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 43**

- “1) that City Council confirm its commitment to continually attempt to increase the corporation’s productivity and efficiency; and,
- 2) that City Council instruct the Administration to prepare a report annually on the efficiencies implemented in the previous year.”

In October 2009, the Canadian Federation of Independent Business (CFIB) released a report entitled “Communities in Boom: Canada’s Top Entrepreneurial Cities in 2009”. That report ranked Saskatoon as Canada’s most entrepreneurial friendly city for 2009. In reaching this conclusion, the CFIB compiled data from various sources, primarily relying on Statistics Canada data, and received input from the CFIB’s membership, which contains over 105,000 business owners across Canada. According to the CFIB, Saskatoon’s ranking is the result of:

- a high concentration of entrepreneurs;
- a high business start-up rate;
- a high level of business optimism and success; and,
- supportive local government tax and regulatory policies.

In addition to these factors, Saskatoon’s ranking is also reflective of City Council’s and the Administration’s commitment to making Saskatoon Canada’s business friendliest city. Saskatoon has been able to accomplish this ranking by striking a balance between the economic, social, and environmental objectives of the community. A thriving and successful entrepreneurial community helps to enhance the quality of life for the residents of Saskatoon.

Despite the importance, prestige, and relevance of the CFIB’s ranking, the Administration believes that it needs to try and quantify how the City of Saskatoon has become more entrepreneurial, creative, and innovative. As a result, Administration prepared a report entitled “2009 Report on Service, Savings, and Sustainability: How the City of Saskatoon is Improving its Productivity”. This report replaces the former “Productivity Improvement Report” that was tabled annually at the request of the Saskatoon and District Chamber of Commerce. The purpose of the Productivity Improvement Report was to highlight key successes that the City of Saskatoon achieved over the course of a particular year.

At its meeting held on June 28, 2010, City Council adopted the following recommendations:

- “1) that City Council adopt the resolution proposed by the Saskatoon Combined Business Group requesting, “That the City of Saskatoon continue to work with the Saskatoon business community to maintain Saskatoon’s position as Canada’s Business Friendliest City over this City Council’s elected term between 2009 and 2012”; and
- 2) that City Council endorse the “2009 Report on Service, Savings, and Sustainability: How the City of Saskatoon is Improving its Productivity”.”

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 44**

At its Special Executive Committee meeting held on July 12, 2011, members of the Committee put forward, in part, the following comments:

- “1) Is the Administration doing an internal efficiency review? Information as to savings should be reported out.”

REPORT

The City of Saskatoon continues to seek new and innovative ways to provide existing and emerging programs and services to its citizens. The Administration is always taking a fresh look at how it operates, and how the corporation can become more adaptive and responsive with a focus on exploring and implementing new ways of:

- improving our service;
- increasing our savings; and,
- growing our city in a sustainable way.

The “2010 Report on Service, Savings, and Sustainability: How the City of Saskatoon is Improving its Productivity” (Attachment 1) allows us to properly document the City’s progress in this regard. The business community has encouraged the Administration to publish such accomplishments to demonstrate that we are an innovative and creative government that practices the principles of good business.

The “2010 Report on Service, Savings, and Sustainability” includes information on ways the City is reaching out to our citizens to increase public involvement and engagement in municipal government while tapping into the wisdom of Saskatonians. In addition, it documents the numerous awards and recognition that the City of Saskatoon has achieved throughout the year. For example, Saskatoon was named Canada’s third most business friendly city by CFIB in 2010. Although this is down from our first place ranking in 2009, being in the top 3 out of 100 Canadian cities continues to demonstrate confidence in Saskatoon as an “entrepreneurial hot spot”.

In order to illustrate the City of Saskatoon’s longer-term achievements in improving productivity, the 2010 report incorporates information from the 2006 to 2009 reports to provide five-year highlights. Copies of the full reports from 2006 to 2009 are available on our website at www.saskatoon.ca (under City Manager’s Office/City Manager’s Reports).

Numerous service improvements, which are reflected throughout the report, have enhanced staff efficiencies and benefited the public. Savings are seen in capital costs, future costs, and/or operating costs, although they may not always translate into direct operational cost savings. There are also many exciting initiatives which contribute to growing Saskatoon in a sustainable way such as the efforts to continue reducing greenhouse gas emissions.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 45**

FINANCIAL IMPACT

The projects listed in the 2010 Report on Service, Savings, and Sustainability estimate a savings in excess of \$1.8 million. Highlights from the previous years related to savings include:

- 2009 Report on Service, Savings, and Sustainability: estimated a savings of approximately \$65 million, and the potential to increase revenue by approximately \$3 million annually.
- 2008 Productivity Improvement Report: estimated a savings of over \$389,500 reflected as direct mill rate reductions in the 2009 operating budget estimates.
- 2007 Productivity Improvement Report: estimated a savings in excess of \$1.1 million.
- 2006 Productivity Improvement Report: estimated a savings in excess of \$500,000.

ENVIRONMENTAL IMPLICATIONS

There are no environmental and/or greenhouse gas implications.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

ATTACHMENT

1. 2010 Report on Service, Savings, and Sustainability: How the City of Saskatoon is Improving its Productivity (September 26, 2011)

Item A1) of Communications to Council was brought forward.

“A1) Kent Smith-Windsor, Executive Director, The Chamber, dated September 14

Requesting permission to address City Council with respect to 2011 Saskatoon Operations Review. (File No. CK. 116-1)”

Moved by Councillor Hill, Seconded by Councillor Heidt,

THAT Kent Smith-Windsor be heard.

CARRIED.

The City Clerk distributed copies of a submission regarding the 2011 Operations Review provided by Mr. Smith-Windsor.

Mr. Kent Smith-Windsor, Executive Director, The Chamber, spoke regarding Saskatoon being the "Business-Friendliest City", its AAA credit rating and its impact on the city and urged Council to consider the other points raised in his submission.

Moved by Councillor Paulsen, Seconded by Councillor Heidt,

THAT the information be received.

CARRIED.

COMMUNICATIONS TO COUNCIL

The following communications were submitted and dealt with as stated:

B. ITEMS WHICH REQUIRE THE DIRECTION OF CITY COUNCIL

1) Laurie Lyman, dated August 25, 2011

Commenting on civic spending. (File No. CK. 116-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Paulsen, Seconded by Councillor Donauer,

THAT the information be received.

CARRIED.

2) Sarah Marchildon, Broadway Business Improvement District, dated September 14

Requesting that Sarah Marchildon be appointed as the BIDs representative on the Municipal Heritage Advisory Committee, replacing Tammy Thompson. (File No. CK. 225-18)

RECOMMENDATION: that Sarah Marchildon be appointed as the BIDs representative on the Municipal Heritage Advisory Committee, replacing Tammy Thompson.

Moved by Councillor Paulsen, Seconded by Councillor Lorje,

THAT Sarah Marchildon be appointed as the BIDs representative on the Municipal Heritage Advisory Committee, replacing Tammy Thompson.

CARRIED.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 47**

3) Tim Fehr, dated September 14

Commenting on suggestion of vehicle registration tax. (File No. CK. 1500-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Paulsen, Seconded by Councillor Lorje,

THAT the information be received.

CARRIED.

4) Sarah Williams, dated September 15

Commenting on extending the dates outdoor pools are open. (File Nos. CK. 613-1 & 5500-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Paulsen, Seconded by Councillor Lorje,

THAT the information be received.

CARRIED.

5) Patricia Nash, dated September 15

Commenting on the proposed implementation of Policy - Death of Member While in Office. (File No. CK. 4670-5)

RECOMMENDATION: that the information be received.

Moved by Councillor Penner, Seconded by Councillor Paulsen,

THAT the Administration respond to the writer.

CARRIED.

6) James Brodie, dated September 14

Commenting on civic spending. (File No. CK. 1910-1)

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 48**

RECOMMENDATION: that the information be received and considered during the budget review process.

Moved by Councillor Hill, Seconded by Councillor Heidt,

THAT the information be received and considered during the budget review process.

CARRIED.

**7) Sheri Benson, Executive Director, United Way and Cory Neudorf,
Chief Medical Health Officer, Saskatoon Health Region, dated September 15**

Commenting on low-income subsidized bus passes and leisure cards. (File No. CK. 150-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Penner, Seconded by Councillor Donauer,

THAT the information be received.

CARRIED.

8) George Kosmas, dated September 20

Requesting permission for the Greek Community of Saskatoon and the Aetos Greek Dance Group of Saskatoon to hold a flag raising and play national anthem on October 28, 2011.

RECOMMENDATION: that the request for the Greek Community of Saskatoon and the Aetos Greek Dance Group of Saskatoon to hold a flag raising and play national anthem on October 28, 2011, be granted subject to any administrative conditions.

Moved by Councillor Penner, Seconded by Councillor Paulsen,

THAT the request for the Greek Community of Saskatoon and the Aetos Greek Dance Group of Saskatoon to hold a flag raising and play national anthem on October 28, 2011, be granted subject to any administrative conditions.

CARRIED.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 49**

9) Joanne Sproule, Secretary to the Board of Police Commissioners, dated September 19

Submitting copy of letter from Chief of Police with respect to Saskatoon Police Service Air Unit statistics from July 1, 2008 to July 1, 2011. (File No. CK. 5000-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Penner, Seconded by Councillor Paulsen,

THAT the information be received.

CARRIED.

10) Joanne Sproule, Secretary to the Board of Police Commissioners, dated September 21

Providing update on the Saskatoon Police Service Headquarters project. (File No. CK. 600-5)

RECOMMENDATION: that the information be received.

Moved by Councillor Penner, Seconded by Councillor Paulsen,

THAT the information be received.

CARRIED.

11) Joanne Sproule, Deputy City Clerk, dated September 7

Advising of Notice of Hearing of Development Appeals Board regarding the property located at 206 Slimmon Road. (File No. CK. 4352-1)

RECOMMENDATION: that the information be received.

Moved by Councillor Penner, Seconded by Councillor Paulsen,

THAT the information be received.

CARRIED.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 50**

C. ITEMS WHICH HAVE BEEN REFERRED FOR APPROPRIATE ACTION

1) Harvey Froese, dated September 9

Commenting on conditions at the public boat launch. (File No. CK. 5520-1) **(Referred to Administration to respond to the writer.)**

2) Dwayne Sabuslsky, dated September 7

Commenting on the condition of city streets. (File No. CK. 150-1) **(Referred to Administration to respond to the writer.)**

3) Janice Beaudry, dated September 9

Commenting on intersection of Marquis Drive and Idylwyld Drive, near Costco. (File No. CK. 6320-1) **(Referred to Administration to respond to the writer.)**

4) Dean Peterson, dated September 16

Commenting on the National Building Code as it pertains to legal suites. (File No. CK. 4350-1) **(Referred to Administration to respond to the writer.)**

RECOMMENDATION: that the information be received.

Moved by Councillor Heidt, Seconded by Councillor Penner,

*1) that, with respect to C1), Councillor Clark be provided with a copy of the response;
and*

2) that the information be received.

CARRIED.

D. PROCLAMATIONS

1) Heather Hogg, dated September 12

Requesting City Council October 20th as Learning Disabilities Awareness Day. (Learning Disabilities Month was proclaimed at an earlier meeting of City Council.) (File No. CK. 205-5).

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 51**

2) Rhonda Rosenberg, Multicultural Council of Saskatoon, dated September 9

Requesting City Council proclaim November 20 to 26, 2011 as Saskatchewan Multicultural Week.
(File No. CK. 205-5)

3) Cindy Haftner, Executive Director, Adoption Support Centre of Saskatchewan Inc. dated September 14

Requesting City Council proclaim November 2011 as Adoption Awareness Month.
(File No. CK. 205-5)

4) Neil Bergen, dated September 20

Requesting City Council proclaim November 4, 2011 Community Radio Day.
(File No. CK. 205-5)

- RECOMMENDATION:**
- 1) that City Council approve all proclamations as set out in Section D; and
 - 2) that the City Clerk be authorized to sign the proclamations, in the standard form, on behalf of City Council.

Moved by Councillor Loewen, Seconded by Councillor Paulsen,

- 1) *that City Council approve all proclamations as set out in Section D; and*
- 2) *that the City Clerk be authorized to sign the proclamations, in the standard form, on behalf of City Council.*

CARRIED.

INTRODUCTION AND CONSIDERATION OF BYLAWS

Bylaw 8973

Moved by Councillor Donauer, Seconded by Councillor Paulsen,

THAT permission be granted to introduce Bylaw No. 8973, being “The False Alarm Fees Amendment Bylaw, 2011” and to give same its first reading.

CARRIED.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 52**

The bylaw was then read a first time.

Moved by Councillor Donauer, Seconded by Councillor Lorje,

THAT Bylaw No. 8973 be now read a second time.

CARRIED.

The bylaw was then read a second time.

Moved by Councillor Donauer, Seconded by Councillor Clark,

THAT Council go into Committee of the Whole to consider Bylaw No. 8973.

CARRIED.

Council went into Committee of the Whole with Councillor Donauer in the Chair.

Committee arose.

Councillor Donauer, Chair of the Committee of the Whole, made the following report:

That while in Committee of the Whole, Bylaw No. 8973 was considered clause by clause and approved.

Moved by Councillor Donauer, Seconded by Councillor Heidt,

THAT the report of the Committee of the Whole be adopted.

CARRIED.

Moved by Councillor Donauer, Seconded by Councillor Hill,

THAT permission be granted to have Bylaw No. 8973 read a third time at this meeting.

CARRIED UNANIMOUSLY.

**MINUTES OF THE REGULAR MEETING OF CITY COUNCIL
MONDAY, SEPTEMBER 26, 2011
PAGE 53**

Moved by Councillor Donauer, Seconded by Councillor Penner,

THAT Bylaw No. 8973 now be read a third time, that the bylaw be passed and the Mayor and the City Clerk be authorized to sign same and attach the corporate seal thereto.

CARRIED.

COMMUNICATIONS TO COUNCIL - CONTINUED

A. REQUESTS TO SPEAK TO COUNCIL

1) Kent Smith-Windsor, Executive Director, The Chamber, dated September 14

Requesting permission to address City Council with respect to 2011 Saskatoon Operations Review. (File No. CK. 116-1)

DEALT WITH EARLIER. SEE PAGE NO. 42.

2) Alan Thomarat, Saskatoon & Region Home Builders' Association, Inc., dated September 16

Requesting permission to address City Council with respect to lot sales policy. (File No. CK. 4110-36)

RECOMMENDATION: that Alan Thomarat be heard.

His Worship the Mayor advised that Mr. Thomarat had withdrawn his request to speak to Council at this time.

Moved by Councillor Donauer,

THAT the meeting stand adjourned.

CARRIED.

The meeting adjourned at 7:30 p.m.

Mayor

City Clerk